

DEPUTIES' MEETING

DM-223

Friday, 23 October 1953

PRESENT: Mr. Dulles, General Cabell, Mr. Wisner, Colonel White, Messrs. Kirkpatrick, Helms, Sheldon, and [redacted]

Mr. Dulles:

a. Referring to the NSC meeting of 22 October, reported that he had insisted upon a revision of NSC 163 (formerly NSC 29 -- Protection of Strategic Sources of Raw Materials Abroad). He noted that his change had relieved CIA of a responsibility ("CIA will provide an appraisal of risks") that we would hardly be able to carry out. The revision gave the initiative to ODM at whose request CIA would appraise such risks. After some discussion the Director gave Mr. Helms the responsibility for making certain that we could carry out our responsibilities under this NSC action. (Note: The full text of the revision, as accepted by the NSC and approved by the President, was forwarded to Mr. Helms. General Weckerling has been given immediate responsibility.)

b. Referred to the CIA budget reserve and suggested as a general tactic in keeping our reserve in the face of cut-backs, that we develop a broader interest in it on the part of other agencies, while preventing drastic inroads.

c. Noted a memorandum he had received confirming the establishment of an air field at Sui-ch'i on the Liuchow Peninsula north of Hainan and said he was sending this information to the Secretary of State and to Admiral Radford. (Note: This has been done.)

e. Indicated that he had discussed the Iranian Army question with Admiral Radford and that the latter had agreed that we should encourage such a program. General Cabell suggested that the U. S. Army should be brought in on this and Mr. Wisner undertook to follow up.

f. Took note of [redacted] cable (IN 28396) [redacted] and indicated that the cable should receive limited distribution because it seemed to be less than objective. He asked OCI to evaluate its intelligence content. The Director noted also a cable from the same station giving [redacted] views on rearmament in North Korea [redacted]

g. Reported hearing from [redacted] would appreciate getting advance notice of [redacted] Mr. Helms said that he did not believe this was one of our men, but undertook to check and report back.

h. Reported briefly on his talk with [redacted]

i. Noted the special channel between CIA and [redacted] in the [redacted] matter and asked that General Cabell take any action necessary to inform the Secretary of State about developments reported through this channel during the Director's

Mr. Dulles (Continued):

absence from town.

General Cabell:

Brought up the subject of Korean planning operations and urged the preparation of an over-all contingency plan. He will work with Mr. Wisner on this matter. The Director noted that an important Korean policy paper is coming to the NSC at its meeting on October 29 and asked to be informed of Planning Board views on this meeting. Mr. Wisner reported that [ ] is at headquarters 25X1 and going on home leave. The Director asked that he be sent on leave for the week-end but be in Washington Monday through Thursday in order to backstop the Director on the Korean question. Mr. Helms undertook to make these arrangements. (Note: This was done.) It was also reported that General Ennis' tour as G-2 FECOM has been extended by General Hull.

Mr. Wisner:

a. Reported on the conversation he had had with [ ]. The Director asked Mr. Wisner to prepare an "Eyes Only" memorandum which could be passed to the Secretary of State and General Smith. 25X1

b. Submitted a memorandum on [ ] noting that while it would be possible to send this memorandum to General Smith, there were too many operational details to permit lower level people to see it. Mr. Wisner agreed to redo the memorandum for General Smith and indicate that General Smith could then pass it on to [ ]. 25X1

c. Reported that [ ] of TSS had spoken to him about a new \$240,000 [ ] project and recommended that the Director talk to [ ] and his associates about this. (Note: [ ] came in to see the Director at 11 a.m.) 25X1  
25X1

d. Raised the question of resistance movements [ ], recalling that the Director had suggested this matter should be examined in the OCB. The Director asked that it be held for personal discussion with [ ] upon the Admiral's return. 25X1  
25X1

Colonel White:

a. Reported on the DD/I-Budget hearing of 22 October. He noted that Budget did not appear completely satisfied that we have reduced our requirements as far as possible and appeared interested in assessing the value of the intelligence product. In this connection he suggested that in his appearance, the DD/P might incidentally emphasize the use of intelligence in operations. Colonel White reported also that there had been a general discussion, largely with Mr. Amory, on simultaneous budget review for the entire intelligence community. While noting that he had spoken against this idea, Colonel White desired to warn the Director and his deputies of this line of thinking at Budget. Colonel White also recommended strongly that no budget matters be taken up with Budget without the participation of someone from the Comptroller's Office. The Director expressed surprise that any such contact was taking place and asked Colonel White to prepare an order on this matter for the Director's signature.

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25X1

Colonel White (Continued):

b. Requested, and received authorization from the Director for applying \$5,000 from the Director's fund for the purpose of preparing and striking National Security medals.

25X1

c. Reported that [ ] was ill with polio [ ] but that his condition was not dangerous. 25X1

25X1

d. Reported on the circumstances under which [ ] had come to work for CIA after having been let go by [ ]. He promised a fuller report which the Director could take to the OCB meeting on October 28 for discussion with Mr. Stassen. 25X1

Mr. Kirkpatrick:

25X1

a. Noted that [ ] had been persuaded to resign.

b. Noted that the matter involving [ ] had been referred to him and that he believed we would hear no more from it. 25X1

Mr. Sheldon:

Reported that George Kennan had sent him a copy of a letter written to the Director of the FBI informing him that Kennan would be subscribing to Pravda. Kennan had asked that the Director write to Mr. Hoover in support. The Director pointed out that we could ourselves far better obtain Pravda and any other Soviet periodicals which Mr. Kennan wanted through our contacts and asked Mr. Sheldon to get Mr. Kennan off the hook through Mr. Papich.



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